Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

| NMOCE |) |
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| Artesia | |

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No. NMNM78214

SUNDRY NOTICES AND REPORTS ON WELLS

| Do not use this form for proposals to drill or to re-enter an | | | 14107.4107.0211 | | | |
|---|---|--|---|--|---|--|
| Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. | | | | 6. If Indian, Allottee of | or Tribe Name | |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | 7. If Unit or CA/Agreement, Name and/or No. | | | |
| I. Type of Well | | | 8. Well Name and No. | | | |
| ☑ Oil Well ☐ Gas Well ☐ Other | | | ANEMONE ANE | FED 5 | | |
| Name of Operator Contact: JULIE STEELE YATES PETROLEUM CORPORATION:-Mail: JSteele@yatespetroleum.com | | | | 9. API Well No. 30-015-31323-00-S1 | | |
| 3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210 | | 3b. Phone No. (include area code) Ph: 575-748-4208 Fx: 575-748-4666 | | 10. Field and Pool, or Exploratory WILDCAT | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) | | | | 11. County or Parish, and State | | |
| Sec 9 T22S R24E NENE 660FNL 660FEL | | | , | EDDY COUNTY, NM | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO |) INDICATE NATURE OF | NOTICE, RE | PORT, OR OTHE | R DATA | |
| TYPE,OF SUBMISSION | | TYPE OF ACTION | | | | |
| Notice of Intent ■ | ☐ Acidize | □ Deepen | ☐ Production (Start/Resume) ☐ Reclamation | | ☐ Water Shut-Off | |
| | ☐ Alter Casing | ☐ Fracture Treat | | | ■ Well Integrity | |
| ☐ Subsequent Report | ☐ Casing Repair | ■ New Construction | ☐ Recomp | ☐ Recomplete Other | | |
| ☐ Final Abandonment Notice | ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon Venting and/or Flari | | ☐ Temporarily Abandon | |
| • | ☐ Convert to Injection | □ Plug Back | ■ Water Disposal | | | |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the worfollowing completion of the involved testing has been completed. Final All determined that the site is ready for five Yates respectfully requests per December 30, 2015 to clear under the street of the Complete Street | ally or recomplete horizontally, k will be performed or provide operations. If the operation re- landonment Notices shall be file and inspection.) Transsion to Flare for 90 do CO2 in the line. | give subsurface locations and meas the Bond No. on file with BLM/BL sults in a multiple completion or rec and only after all requirements, included | ured and true ver A. Required sub completion in a n | rtical depths of all pertin sequent reports shall be ew interval, a Form 3166 t, have been completed, a | ent markers and zones. filed within 30 days 0-4 shall be filed once | |
| | | | | | | |

This circumstantial flaring could result longer than 24 hour period and possibly more than 144 cumulative authorized under NTL4A III.A. Flare volumes will be reported on OSOSE ATTACHED FOR CONDITIONS OF APPROVAL

| | 11 | | | | |
|---|---|--|--|--|--|
| For YATES PETROLEUM CORP | d by the BLM Well Information System// DRATION, sent to the Carlsbad IFER SANCHEZ on 10/14/2015 (16J#S#3#1SE) | | | | |
| Name(Printed/Typed) JULIE STEELE | Title PRODUCTION ANALYST/VATES PETRO | | | | |
| Signature (Electronic Submission) | Date 09/29/2015 | | | | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE 6 SOLLAND | | | | | |
| Approved By | Title Date | | | | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office BYNEAU OF LAND MANAGEMENT CARLSBAD JELD OFFICE | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make o any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. | | | | | |

Flaring Conditions of Approval

- 1. Report all volumes on OGOR B as disposition code 08.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days from date requested on sundry.
- 9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

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